

1 subsidized health services and collecting bad debts.
2 "Community benefits" does not include the cost of paying any
3 taxes or other governmental assessments.

4 "Government sponsored indigent health care" means the
5 unreimbursed cost to a hospital or health system of Medicare,
6 providing health care services to recipients of Medicaid, and
7 other federal, State, or local indigent health care programs,
8 eligibility for which is based on financial need.

9 "Health system" means an entity that owns or operates at
10 least one hospital.

11 "Nonprofit hospital" means a hospital that is organized
12 as a nonprofit corporation, including religious
13 organizations, or a charitable trust under Illinois law or
14 the laws of any other state or country.

15 "Subsidized health services" means those services
16 provided by a hospital in response to community needs for
17 which the reimbursement is less than the hospital's cost of
18 providing the services that must be subsidized by other
19 hospital or nonprofit supporting entity revenue sources.

20 "Subsidized health services" includes, but is not limited to,
21 emergency and trauma care, neonatal intensive care, community
22 health clinics, and collaborative efforts with local
23 government or private agencies to prevent illness and improve
24 wellness, such as immunization programs.

25 Section 15. Organizational mission statement; community
26 benefits plan. A nonprofit hospital shall develop:

27 (1) an organizational mission statement that
28 identifies the hospital's commitment to serving the
29 health care needs of the community; and

30 (2) a community benefits plan defined as an
31 operational plan for serving the community's health care
32 needs that:

33 (A) sets out goals and objectives for

1 providing community benefits that include charity
2 care and government sponsored indigent health care;
3 and

4 (B) identifies the populations and communities
5 served by the hospital.

6 Section 20. Annual report for community benefits plan.

7 (a) Each nonprofit hospital shall prepare an annual
8 report of the community benefits plan. The report must
9 include, in addition to the community benefits plan itself,
10 all of the following background information:

11 (1) The hospital's mission statement.

12 (2) A disclosure of the health care needs of the
13 community that were considered in developing the
14 hospital's community benefits plan.

15 (3) A disclosure of the amount and types of
16 community benefits actually provided, including charity
17 care. Charity care must be reported separate from other
18 community benefits. In reporting charity care, the
19 hospital must report the actual cost of services
20 provided, based on the total cost to charge ratio derived
21 from the hospital's Medicare cost report (CMS 2552-96
22 Worksheet C, Part 1, PPS Inpatient Ratios), not the
23 charges for the services.

24 (4) Audited annual financial reports for its most
25 recently completed fiscal year.

26 (b) Each nonprofit hospital shall annually file a report
27 of the community benefits plan with the Attorney General. The
28 report must be filed not later than the last day of the sixth
29 month after the close of the hospital's fiscal year,
30 beginning with the hospital fiscal year that ends in 2004.

31 (c) Each nonprofit hospital shall prepare a statement
32 that notifies the public that the annual report of the
33 community benefits plan is:

- 1 (1) public information;
- 2 (2) filed with the Attorney General; and
- 3 (3) available to the public on request from the
- 4 Attorney General.

5 This statement shall be made available to the public.

6 (d) The obligations of a hospital under this Act, except
7 for the filing of its audited financial report, shall take
8 effect beginning with the hospital's fiscal year that begins
9 after the effective date of this Act. Within 60 days of the
10 effective date of this Act, a hospital shall file the audited
11 annual financial report that has been completed for its most
12 recently completed fiscal year. Thereafter, a hospital shall
13 include its audited annual financial report for its most
14 recently completed fiscal year in its annual report of its
15 community benefits plan.

16 Section 25. Failure to file annual report. The Attorney
17 General may assess a late filing fee against a nonprofit
18 hospital that fails to make a report of the community
19 benefits plan as required under this Act in an amount not to
20 exceed \$100. The Attorney General may grant extensions for
21 good cause. No penalty may be assessed against a hospital
22 under this Section until 30 business days have elapsed after
23 written notification to the hospital of its failure to file a
24 report.

25 Section 30. Other rights and remedies retained. The
26 rights and remedies provided for in this Act are in addition
27 to other statutory or common law rights or remedies available
28 to the State.

29 Section 40. Home rule. A home rule unit may not
30 regulate hospitals in a manner inconsistent with the
31 provisions of this Act. This Section is a limitation under

1 subsection (i) of Section 6 of Article VII of the Illinois
2 Constitution on the concurrent exercise by home rule units of
3 powers and functions exercised by the State.

4 Section 99. Effective date. This Act takes effect upon
5 becoming law."